

APPENDIX.

BILL SIGNED.

The Chair, Lieutenant Governor Neal, gave notice of signing, and did sign, in the presence of the Senate, after its caption had been read,

Senate bill No. 2, "An Act appropriating \$20,000 to pay the contingent expenses of the Thirtieth Legislature, and declaring an emergency."

COMMITTEE REPORTS.

Committee Room.

Austin, Texas, January 15, 1907.

Hon. Geo. D. Neal, President of the Senate.

Sir: Your Committee on Enrolled Bills have carefully examined and compared

Senate Bill No. 2 being, "An Act appropriating the sum of \$20,000 to pay the contingent expenses of the Thirtieth Legislature, and declaring an emergency,"

And find the same correctly enrolled, and have this day at 11:05 o'clock presented the same to the Governor for his signature.

MASTERSON, Chairman.

Committee Room,

Austin, Texas, January 15, 1907.

Hon. Geo. D. Neal, President of the Senate.

Sir: Your Committee on Enrolled Bills have carefully compared

Senate Bill No. 1, being "An Act appropriating the sum of \$110,000 to pay per diem and mileage of members, etc.,"

And find the same correctly enrolled, and have this day at 10:05 o'clock presented the same to the Governor for his signature.

MASTERSON, Chairman.

SEVENTH DAY.

Senate Chamber.

Austin, Tex., Wednesday, Jan. 16, 1907.

Senate met pursuant to adjournment.

Lieutenant Governor A. B. Davidson in the chair.

Roll call, quorum present, the following answering to their names:

Alexander.	Glasscock.
Barrett.	Green.
Brachfield.	Greer.
Chambers.	Griggs.
Faust.	Grinnan.

Harbison.	Paulus.
Harper.	Senter.
Holsey.	Skinner.
Hudspeth.	Smith.
Kellie.	Stokes.
Looney.	Stone.
Masterson.	Terrell.
Mayfield.	Veale.
Meachum.	Watson.
Murray.	Willacy.

Prayer by the Chaplain, Rev. H. M. Sears.

Pending the reading of the Journal of yesterday, on motion of Senator Chambers the same was dispensed with.

BILLS AND RESOLUTIONS.

By Senator Stone:

Senate bill No. 70, A bill to be entitled "An Act to amend Article 5065 of Title 104, Chapter 2, of the Revised Civil Statutes of the State of Texas, as amended by Chapter 127 of the General Laws of the State of Texas, passed by the Twenty-ninth Legislature at its regular session in A. D. 1905, so as to define, exempt, and regulate the exemption of, endowment funds of educational institutions from taxation."

Read first time, and referred to Judiciary Committee No. 1.

By Senator Stone:

Senate bill No. 71, A bill to be entitled "An Act to amend Article 608, Title 15, Chapter 3, of the Penal Code of the State of Texas, relating to assaults with intent to rape."

Read first time, and referred to Judiciary Committee No. 2.

By Senator Brachfield:

Senate bill No. 72, A bill to be entitled "An Act to amend Chapter 8, Title 30, of the Revised Civil Statutes of 1895, by adding thereto Article 1269a, and repealing all laws in conflict therewith; relating to the pleadings of the defendant and for changing venue where a plea of privilege to be sued in a different court or county is sustained and declaring an emergency."

Read first time, and referred to Judiciary Committee No. 1.

By Senator Harper:

Senate bill No. 73, A bill to be entitled "An Act to amend Title LVI of the Revised Civil Statutes of the State of Texas, relating to injunctions by adding thereto Article A, authorizing an appeal from an order granting or dissolving a temporary injunction."

Read first time, and referred to Judiciary Committee No. 1.

Morning call concluded.

SPECIAL ORDER—SIMPLE RESOLUTION.

The Chair laid before the Senate, as special order, the resolution offered by Senator Senter on yesterday. (See Journal of yesterday for resolution.)

Senator Looney made a point of order on the resolution, but pending discussion the same was withdrawn.

Senator Skinner offered the following amendment:

Amend the resolution by striking out all of paragraph 2 after the word "subject" in line 5 of said paragraph.

The amendment was adopted.

The resolution was then read and adopted, as amended.

Following is the resolution as amended:

Whereas, It is currently reported that the Attorney General of this State has in his possession certain papers, letters and books which may tend to throw light upon the questions arising upon the resolution adopted by this body on yesterday with respect to Senator Bailey; and

Whereas, It is proper and expedient that said documents should be inspected by members of this body in order that they may act intelligently upon this subject.

Resolved, That the Attorney General of the State be requested to exhibit said documents to any member of this body who may desire to inspect them.

SIMPLE RESOLUTION.

Senators Paulus and Kellie offered the following resolution:

Resolved, That Hon. S. B. Cooper, ex-member of Congress and member-elect of Congress be and is hereby invited to a seat on the floor of the Senate Chamber.

The resolution was read and adopted.

INVITATION.

By Senator Glasscock:

Austin, Texas, January 16, 1907.

Hon G. W. Glasscock, Senator.

Dear Sir: The Confederate Veterans and United Daughters of the Confederacy respectfully invite the members of the Senate to unite with them in celebrating the one hundredth anniversary of the birth of Robt. E. Lee to be given in the

Senate chamber on Saturday, the 19th inst., 3:30 p. m.

E. B. CARRUTH,
Chairman Joint Committee.

The invitation was accepted.

COMMITTEE CLERKS ASSIGNED.

The Chair announced the assignment of committee clerks:

Committee on Stock and Stock Raising—Mrs. H. H. Hawkins.
State Affairs—Mrs. H. H. Hawkins.
Judiciary No. 1—Dennie Collins.
Judiciary No. 2—J. H. Waggoner.

RECESS.

On motion of Senator Meachum, the Senate recessed till 2 o'clock today.

AFTER RECESS.

The Senate was called to order by Lieutenant Governor Davidson, and

The Chair laid before the Senate a message from His Excellency, the Governor. (See Appendix for the message in full.)

APPOINTMENTS BY GOVERNOR.

Executive Office,
State of Texas.

Austin, January 16, 1907.

To the Senate:

The advice and consent of the Senate is requested to the following appointments:

Secretary of State—L. T. Dashiell of Leon county.

Assistant Attorney General—F. J. McCord of Smith county.

Commissioner of Agriculture, Insurance, Statistics and History—R. T. Milner of Rusk county.

State Health Officer—Wm. M. Brumby of Harris county.

State Purchasing Agent—B. B. Cannon of Parker county.

Superintendent of Public Buildings and Grounds—W. C. Day of Hays county.

Board of Commissioners for the Penitentiary—W. F. Ramsey of Johnson county; John W. Wright of Smith county; J. T. Mewshaw of Dallas county.

Superintendent of Penitentiary—J. A. Herring of Madison county.

Assistant Superintendent of Penitentiary at Huntsville—R. H. Underwood of Bell county.

Assistant Superintendent of Penitentiary at Rusk—John H. Boyd of McClellan county.

Financial Agent of the Penitentiary—Benton McMillin of Grayson county.

Inspectors of the Penitentiary—J. G. Barbee of Wharton county; Sam Hawkins of Denton county.

State Revenue Agent—W. J. McDonald of Hardeman county.

Adjutant General—J. O. Newton of Milam county.

T. M. CAMPBELL,
Governor.

EXECUTIVE SESSION—TIME SET FOR.

Senator Glasscock moved that tomorrow at 11 o'clock be set as the time for the Senate to sit in executive session to consider the above appointments.

The motion was adopted.

ADJOURNMENT.

On motion of Senator Meachum, the Senate, at 3 o'clock p. m., adjourned till tomorrow morning at 10 o'clock.

APPENDIX.

GOVERNOR'S MESSAGE.

Executive Office,
Austin, Texas, Jan. 16, 1907.

To the Senate:

Honest government, fidelity to the Constitution and the lasting welfare of the State should be the aim of all.

Upon those who value that freedom vouchsafed by constitutional government the duties and obligations of official station weigh most heavily. In the commission sought and accepted by the public servant are involved the responsibilities he voluntarily assumed, and the motives actuating him, as well as the measure of his patriotism, are determined by his conduct.

The members of the present Legislature and Executive have been vested with well-defined political power, this power comes by grant from the people, and they have the right to expect that it will be exercised for their benefit and in obedience to their ascertained will.

The will of the people is ascertained through expression given at the ballot box and by the platform declarations of the political party entrusted with the administration of the affairs of government.

The entire State administration and all members of the Legislature, with few exceptions, were elected upon a platform announcing principles and containing

pledges that are of binding force with every official worthy of a place in the Democratic household. Platform demands should not be lost in the mazes of selfishness and sophistry, or ground under the heel of a corporate lobby. We can in reason indulge the hope that a Democratic Legislature and Executive can and will be able to give full expression and meaning to Democratic integrity by keeping every promise made to the people.

After reaffirming those fundamental principles which sustain our social fabric and upon which our governmental structure rests, the platform demands the enactment of effective laws:

1. To define and prohibit lobbying.
2. To prohibit the issuance of free passes or the giving of free transportation, franks or free privileges in any form by railroads or other corporations within this State, with certain exceptions named.
3. To prohibit corporations from contributing to the campaign expenses of any party or individual, or to secure the adoption or defeat of any measure submitted to a vote of the people.
4. To define and prohibit insolvent corporations from doing business in Texas, and if necessary to accomplish this purpose to submit a constitutional amendment to a vote of the people.
5. To compel telephone and telegraph companies to transmit each other's messages, and to make necessary connections for that purpose.
6. To require the subscribers to the capital stock of corporations to pay in at least 50 per cent of the capital stock subscribed before filing charter, and the additional capital stock within two years, and such laws as will insure greater publicity and better protection to the creditors and stockholders.
7. To eliminate nepotism from the public service in this State.
8. To the enactment of a uniform text-book law.
9. To enlarge the scope and general benefit of our present drainage and irrigation laws.
10. To confer necessary power in courts of competent jurisdiction to enable such courts to deal with youthful offenders in a more suitable and effective way.
11. To simplify and correct our present election law, to provide a uniform test, and for nomination in blanket primary by a majority of the voters by a direct vote and without the intervention of a convention.
12. To allow provide for the sup-

port and maintenance of our eleemosynary institutions.

13. To enact laws relating to public roads that good roads may be secured to all of the people.

14. To simplify the procedure in both civil and criminal trials and for reforms in our jury system.

15. That an amendment to the State Constitution authorizing the erection and maintenance of a home for indigent and decrepit wives and widows of Confederate soldiers and sailors be submitted to the voters of the State.

16. To remove occupation taxes on all useful occupations.

17. To secure equality and uniformity in taxation, the just rendition of all taxable property at its full value and to compel payment of such taxes.

18. Establishing a State Department of Agriculture, separate from all other departments and interests. That adequate facilities for agricultural and industrial training be provided for those educational institutions of our State in which such training is practicable.

19. Compliance with the constitutional requirement of six months term of free school for each child in each year, and the principle of county taxation for school purposes was endorsed and recommended.

These demands and defined policies contain the latest definite expression of the people upon the subjects to which they relate, and are commended to your honorable bodies as worthy of your best thought and most faithful consideration. Too much importance can not be attached to the people's demand, and this view justifies a further consideration of some of these subjects in this message, to the end that this Legislature and Executive in patriotic harmony may give the people what they want. Those receiving no further elaboration speak for themselves and are not intended to be minimized by failure of further mention.

LOBBYING.

The professional lobbyist, the hired instrument of selfish schemes, is a menace to the people and a public enemy. The unwary are his game, and the people are his victims. The right of petition should never be denied, but abuse of this right should not be tolerated. Intolerable delays of wholesome legislation and great and unnecessary expense to the State too often result from such abuse. When the welfare of any community, or that of any legitimate association or organization of individuals, is

involved in any proposed legislation, its officers and its committees are guaranteed an open, full and fair hearing by the genius of our institutions. When the rights of an individual are believed by him to be imperiled he should be heard, and when the interests of corporations and other legitimate business enterprises are involved in any proposed legislation those directly in charge of such enterprise and most familiar with the affairs in hand can, with propriety, be heard, and the public weal will be best subserved when full and ample justice is done. The manner of these hearings, the procedure and necessary limitations with respect thereto should be provided. Lobbying by public officers, appointees and employes of the State should be prohibited, and the corruptionists, those who by deceit and favors seek to defeat just laws, and for hire seek to fasten unwholesome policies upon the people, should be by effective laws driven from this capitol forever.

I most earnestly recommend the immediate passage, with the emergency clause, so that the present Legislature and the people may have the immediate benefit of it, of a measure which shall make it unlawful for any persons other than the members of the Legislature or the Governor of the State to attempt to influence any legislator in voting upon any question, or to vote for or against any measure, otherwise than by appearing before a committee when in session, by newspaper publication, public addresses, written or printed petitions, statements, arguments or briefs, and a specified number of copies of said petitions, statements, arguments or briefs, shall be first filed with the Secretary of State subject to public inspection; and, further, that no officer, employe or agent of the State or of the United States shall attempt, directly or indirectly, to influence a member of the Legislature in voting upon any question or to vote for or against any measure affecting the pecuniary interest of such person except in the manner suggested above.

As is well known to all who have witnessed or participated in the proceedings of the Legislature while in session, one of the chief embarrassments and impediments to the orderly and easy dispatch of business is the presence upon the floor of the two houses of great numbers of lobbyists, visitors and sightseers, whose movements and conversations create such disturbance and confusion as to materially interrupt and retard business. In the construction of the capitol these

persons have been amply provided for at a great expense by extensive and comfortable galleries which, under the present practice, have rarely an occupant. I, therefore, recommend to you that by the same measure it be made unlawful for any person other than members of the Legislature, State officials, employees and officers of both houses and duly accredited representatives of the press, to go upon the floor of the Senate Chamber or House of Representatives while the Legislature is in session. Infractions of the law should be made punishable by both fine and imprisonment.

FREE PASSES AND FRANKS.

The present practice of the railroads and other corporations in giving free passes and franks to the public officials and influential citizens has grown to be an evil so great, and a discrimination so unjust, that it stands almost without a defender. The people have demanded the correction of this evil many times, and upon this subject the platform of the political party recently endorsed by the voters contains the following declaration:

"We favor the enactment by the next Legislature of a statute prohibiting the issuance of free passes or the giving of free transportation, franks or passes in any form by railroads or other corporations within this State, except to those employed by said corporations and their families, the indigent poor for whom application is made by religious or charitable organizations, and to sheriffs, rangers and other peace officers, whose duties are to execute criminal process. And we request the next Governor of this State to keep the Legislature in session, if necessary by extraordinary call, until such a law as is demanded be passed."

The platform has named the exceptions from the operation of the law demanded. Efforts may be made to extend these exceptions on various plausible pleas, and it is respectfully urged that no modification or further exception can be made without impairing the value of the law, and defeating the plain object sought by the people.

Measures to abolish the free pass evil call for immediate attention and prompt and decisive action.

The passenger rate now paid by those favored with free passes should and I recommend that the same be reduced to 2 cents per mile. The present and growing volume of passenger traffic in Texas warrants such reduction.

CORPORATION CONTRIBUTIONS TO CAMPAIGN FUNDS.

No corporation holding a charter or enjoying a permit to do business in this State should be permitted to divert its corporate funds to influence elections, to the corruption of the ballot box, or to the support of a lobby to influence legislation. The disclosures resulting from investigations in other States and this dangerous and vicious practice known to have been indulged in our own State admonish us that the demand of the people that this evil be corrected must be speedily met.

INSOLVENT CORPORATIONS.

All corporations are creatures of the government, and as such should enjoy no privilege inconsistent with sound business principles and the general good. Under corporate cover the insolvent corporation may, under existing laws, levy tribute and prey upon the people in proportion to the sum of its obligations, no matter how largely disproportionate they may be to the real value of its property. That the insolvent corporation should enjoy no higher privilege than the insolvent individual is a proposition which can not be refuted. The insolvency of the individual from a business viewpoint is the concern of himself and his creditors alone, while the insolvency of the corporation is the concern of the public, and in obedience to the popular will the dominant political party in its last platform declared in the following language that such corporations should cease doing business in Texas:

"We demand the enactment of a law, or, if necessary, the submission of a constitutional amendment to the people of Texas, defining insolvent corporations and prohibiting the same from doing business in this State."

It is earnestly urged that by immediate legislative enactment much good can be accomplished in promptly dealing with this subject and with the subjects of free passes, lobbyists and contributions by corporations to campaign funds and to support legislative lobbies. Ample authority is given for these laws by the Constitution, but for safer and more permanent relief these evils should be finally corrected by amendments to our Constitution. Such statutes as I recommend upon these subjects for immediate relief will be under continual attack from selfish interest brought under control by their honest enforcement. Experience teaches us that the people are

not always on guard, and when off their guard the agents of avarice often attack and destroy their wisest and best safeguard. If these proposed reforms are sound, as I believe them to be, the people should have immediate relief by effective laws, and they should also have an opportunity to write them into the Constitution so that in their wisdom and permanency they can there remain until removed by the hands of the people themselves. If in your wisdom suitable laws are enacted covering these demands of the people here under discussion, these statutory provisions will serve a useful purpose until the people can by their votes incorporate the same into the Constitution.

These subjects are not new to the people of Texas. As early as the year 1900 a constitutional amendment designed to safeguard the people in these particulars was proposed by one who had been a Governor of Texas, and one of the purest, most enlightened and progressive statesmen of our time, the lamented James S. Hogg. The people by their platform of that year endorsed the amendment and demanded the right and the opportunity to vote upon the same, but this was denied them.

In my campaign for the Democratic nomination for the office of Governor, I renewed the fight in favor of the amendment then and now proposed, and in discussing it throughout the entire State in a long and somewhat vigorous campaign before the people I heard no word of opposition. Its opponents have never dared to go to the people on the Hogg amendment. I promised the people that if honored by them with the office of Governor my best energy would be employed in an effort to have this amendment submitted to them for their approval or rejection. Its spirit breathes in the platform upon which this Legislature and Executive were elected, and moved by a sense of duty in the cause of right and justice, I earnestly recommend that the amendment so long under discussion and so often approved by the people be submitted to the voters of Texas. In laying this amendment before you for your thoughtful consideration, and in suggesting its submission to the people, I am not unmindful of the machinery that selfish interests will employ to defeat its submission. Doubtless every engine of corporate power will be put in motion to defeat it.

The amendment as here proposed reads as follows:

“RESOLUTION NO 1.”

“A joint resolution by the Legislature to amend the Constitution of the State of Texas, by adding Article 12a thereto, which said article shall be divided into Sections 1, 2, 3, 4, 5, 6, 7, 8, and 9.

“Be it enacted by the Legislature of the State of Texas: That the Constitution of the State of Texas shall be so amended as to add Article 12a thereto, which said article shall be divided into nine sections and read as follows:

“Article 12A.”

“Section 1. That among other rights the power in this State to authorize, issue, or execute bonds or other evidences of debt, secured by liens on corporate property and all kinds of stock and shares of stock, or the execution of any kind of bonds or liens or mortgages or stocks or shares of stock by corporations, or through the receivers thereof, in this State, is a special privilege or franchise, the right and duty to supervise, regulate, limit, restrict and control which for the protection of public interests have always been, are now, and shall continue to be vested in and imposed on the State, to be exercised and performed according to the provisions of the Constitution and laws of Texas.

“Sec. 2. That no insolvent corporation shall have the right to do business within or to exercise or retain any franchise or charter granted from the State of Texas.

“Sec. 3. Every corporation whose assets and liabilities and transfers of stock are required to be kept on record in the corporation books in this State, chartered in or doing business by the authority or consent, or under the laws, of this State, shall be deemed and held to be, and it is, insolvent when its indebtedness, added to its capital and other stock at par value and the bonds outstanding against its property within this State shall amount in the aggregate to more than three times the valuation at which the property of the said corporation in this State was last rendered for taxation by the corporation or through its agents or representatives, or to 75 per cent more than the valuation of its said property when the Railroad Commission or any lawful authority, acting expressly under and by virtue of the laws of this State, has fixed thereto one year before the institution of suit under this amendment.

“Sec. 4. That any corporation chartered by virtue of or exercising rights or

franchises under the laws of this State that has issued or has outstanding any fictitious bonds or stock or shares of stock, which, if legal, are required by the law to be, or are, kept of record, or are required to be, or are, recorded in this State, or that has issued or has outstanding any stock or bonds except for money paid to, work done for, or property actually received by the corporation, which said bonds and stock shall amount to 75 per cent more than the valuation of the property belonging to said corporation within this State which has been fixed thereto by the Railroad Commission, or any authority designated by law, or to double the valuation at which said property has been last rendered for taxation in this State by the corporation, or its agents or representatives, is insolvent and shall forfeit its corporate rights, charter and franchises.

"Sec. 5. That every corporation which holds a charter or permit or exercises corporate franchises or rights, from or under the laws of or by the consent of this State, has at all times been, is yet, and shall continue to be prohibited from using all, or any part, of its money, assets or funds, except for corporate purposes, and any other use or diversion thereof forfeits in this State its rights as a corporation. If any such corporation has, out of its assets, property or funds, directly or indirectly, contributed or paid, or shall ever, directly or indirectly, pay or contribute any part thereof to any political party or to any person for, or for the use of, or on account of such party, or shall, directly or indirectly, out of such funds, property or assets, pay or contribute to any candidate for office, or aid in defraying his expenses, as a candidate for office, or has, directly or indirectly, paid or aided in paying or shall ever, directly or indirectly, pay or contribute in paying out of such assets, funds or property, the salary or salaries or expenses of any lobby or lobbyists, or person or persons, to influence the adoption or defeat of any legislation in this State, shall, on proof thereof in any court of competent jurisdiction, forfeit its permit, license or charter and all rights and franchises which it holds under, from, or by virtue of the laws of this State.

"Every check, order, draft, or other instrument drawn on, and every account, voucher, demand or claim paid by such corporation shall truthfully and specifically express the purpose for which it is given, drawn or paid.

"Money contributed or paid out, or

property delivered on the order or approval, or at the instance of any agent, attorney, officer or director of the corporation from the corporate funds or assets, for the purposes prohibited herein or in violation of the directions hereof, shall be deemed and held to be the act of the corporation, unless within one year from the date of the payment, delivery or contribution, so made in violation of this section, it has been entered or shall, through its board of directors, enter an order in its record in this State, repudiating the wrong and permanently dismissing all persons who had any connection with it from the service of the corporation.

"Sec. 6. That if any railway or other chartered transportation company, or the receiver thereof, in this State, shall haul or carry any person free of charge or grant or give to any person, firm or corporation, or association of persons, a free pass, or any authority or permit whatsoever to travel or pass free over any railway or other transportation line or part of line for any distance, under its control or operated by it, or under its authority, or shall, directly or indirectly, grant, give or concede to any such person, firm, corporation or association of persons, any privilege greater or fare or rate less than it grants, gives or concedes to any and all other persons, firms, corporations or associations of persons of similar or like calling, occupation or profession or physical or pecuniary condition for similar service to the one or ones so favored, it shall, in addition to the other penalties prescribed, pay to the State of Texas, in any action that shall be brought by the Attorney General or district or county attorney for that purpose, the sum of \$5000 for each and every such act; provided, that every railway or other transportation company, or the receivers thereof, without delay or the necessity of preliminary action, shall have the right to carry free of charge all of the transportation forces, mechanics and operatives engaged in the service of the corporation or company, and members of their immediate families; and also there may be carried free of charge by the company its own directors, officers, agents and attorneys when the company or receiver shall have, previously to the said free carriage, furnished and filed with the Railroad Commission of Texas a certified list of the names, accompanied by a statement showing the particular line and branch of service in which they are severally engaged by the company or its

receivers, and that they are each in good faith so employed.

"Sec. 7. That the Attorney General of Texas shall bring action of quo warranto against each and every corporation in this State that is insolvent, or that violates either or all of the provisions of this amendment or any provision of the Constitution or laws, to forfeit its license, franchise, permit or charter, and to wind up its corporate affairs; and the district judge before whom the action is filed may, on motion of the Attorney General, either in term time or in vacation, appoint a receiver or receivers to protect the public and all interested parties in the management of the corporate properties pending the litigation and settlement of the corporate and other rights in relation thereto.

"Sec. 8. That it shall be the duty of the Governor to cause the provisions of this article and all other provisions of the Constitution and laws relating to corporations to be enforced, and for this purpose he shall render the prosecuting officers, the Railroad Commission and the courts all aid necessary.

"Sec. 9. That each and every provision and penalty of this amendment shall be cumulative of all constitutional provisions and laws on the subject and shall be self-executing without the necessity of further legislation on or in relation thereto. But the Legislature shall pass such penal and civil laws as may be deemed necessary to aid in giving full force and effect to the provisions of this amendment.

"And further, be it enacted by the Legislature of the State of Texas: That the foregoing constitutional amendment shall be submitted to a vote of the qualified electors of the State at an election to be held throughout the State of Texas on the at which election all voters favoring said proposed amendment shall write or have written or printed upon their ballots the words: 'For the amendment to the Constitution by adding Article 12a and the several sections thereof, relating to corporations; and those opposed thereto shall write or have printed on their ballots the words: 'Against the amendment to the Constitution which proposes to add thereto Article 12a and the several sections thereof relating to corporations.'

"The Governor of the State is hereby directed to issue the necessary proclamation for said election and to have the same published as required by the Constitution and existing laws of the State."

TELEPHONE AND TELEGRAPH COMPANIES.

It seems that great inconvenience and much annoyance has been occasioned the people in some quarters by the failure of telephone and telegraph companies to make suitable connections at common points for the transmission of each other's messages. This policy on the part of the companies often results from indifference to the public requirements and is often the result of a desire on the part of the stronger line to make the business of the smaller line unprofitable, dissatisfy and frighten its owners and promoters, then by purchase, often at its own price, absorb and consolidate it with their own. This rife spirit of corporate consolidation and unnatural monopoly should in my opinion be dealt with in an effective way. The practice of consolidating public service corporations, or corporate wealth in any form, should be stopped. With due regard for the convenience and accommodation of the public, as well as the rights of these companies, suitable and adequate legislation requiring the companies under appropriate penalties to make such connections and transmit each other's messages is demanded by the platform and is recommended.

PRIVATE CORPORATIONS AND ANTI-TRUST LAWS.

"We demand such amendments to our laws regarding private corporations as will require the payment of at least 50 per cent of the capital stock before filing charter and within two years the additional 50 per cent of the capital stock, and that will insure greater publicity and a greater measure of protection to creditors and stockholders." This is a demand of the people with which I suggest ready compliance. To insure "greater publicity and a greater measure of protection to creditors and stockholders" and to aid in the enforcement of existing anti-trust laws, I suggest briefly for your consideration:

1. A comprehensive law giving the Attorney General, or his authorized assistant or duly accredited agent or representative, for the purpose of investigation, full and free access to all the works, plants, offices, books, vouchers and papers of any corporation doing business in Texas, whether under charter granted by the State or by permit, and without reference to whether such works, plants, offices, books, vouchers and papers are situated within this State or out of it.

2. A law authorizing the Attorney General to issue his subpoena, directed to any officer of this State authorized to execute similar process, or to any agent appointed by him in any other State, commanding such officer if in Texas, or such agent if out of the State, to summon any president, director, other officer or agent of any corporation doing business in Texas, either under a charter or permit, to appear in person before the Attorney General or before any judge of a court of record in Texas, and make true answers to all questions propounded to him pertaining to the subject matter then under consideration and to produce all books, vouchers, contracts and papers that may be called for by any subpoena issued by the Attorney General. As an appropriate and effective remedy for failure to obey such subpoena I would suggest as a penalty a provision for the forfeiture of the corporation's charter or permit to do business in Texas, and for a lien upon all the assets of the concern in this State to secure the payment of whatever penalties may be recovered for violation of this or any other law of the State.

3. A law to prevent the abatement of suits for forfeiture of charter or permit and for penalties by a simple dissolution of the corporation.

4. A law with adequate penalties requiring the managing officers of all corporations in arrears for more than sixty days on its pay rolls or indebtedness to employees, or to creditors having priority or a statutory lien, to make full report of same, under oath, to the Attorney General, and also to the trustees or mortgagees named in any deed of trust or mortgage that may be subsisting against the property and franchises of the corporation.

NEPOTISM.

That the efficiency of the public service is not only threatened, but positively impaired, by the employment by public officials of members of their families and other relatives at public expense, is believed by a large percentage of the people, and in this view I most heartily concur. It is a practice often denounced by the people in their platform expressions, and a law defining nepotism and prohibiting its practice in this State is suggested as of commanding importance, and as an appropriate response to the people's will.

UNIFORM TEXT-BOOK LAW.

The present uniform text-book law was enacted in recognition of the demand for cheaper school books for the children attending our public schools. It has its imperfections and among others are the exemption of cities of over ten thousand inhabitants from its operation and the provisions by which supplementary books, or books other than those adopted, are wedged into the schools by enterprising book agents, thus undermining and impairing the value of an otherwise wholesome law.

"We demand the enactment by the next Legislature of a uniform text-book law" is the language of the platform. This is a demand for a law universal in its application, general in its benefits, and stripped of all exceptions, provisions and modification, by which its advantages can be denied the patrons of the public schools in any city or locality. The re-enactment of the present law with the objectionable features referred to eliminated was doubtless contemplated by the plain instructions of the people. The old law, its defects and the remedy proposed, are commended to your best judgment and careful consideration.

PUBLIC EDUCATION.

In Texas the cause of education is cherished by the people. The principles of public free schools is a fixed and established policy. The system of public education demanded by our Constitution is a response to the admonition of the fathers "that unless a people are educated and enlightened it is idle to expect a continuance of civil liberty and capacity for self-government."

The Constitution of the Texas Republic committed Texas to the cause of public education. Every time the people have written and adopted a constitution, every time an expression has been given in mass meetings or in political conventions, the principle has been reaffirmed. The present Constitution declares that "it shall be the duty of the Legislature of the State to establish and make suitable provision for the support and maintenance of an efficient system of public free schools," and further that "there shall be levied and collected an annual ad valorem State tax of such an amount, not to exceed 20 cents on the \$100 valuation, as, with the available school fund arising from all other sources, will be sufficient to maintain and support the public free schools of this State for a pe-

riod of not less than six months in each year."

No higher duty rests upon this Legislature and Executive than that involved in a faithful effort to comply with these requirements of the Constitution. Much has already been accomplished in this direction, but our system is by no means perfect and is capable of improvement in many essentials. Opportunities for the better development of the public schools of the cities and towns have been more favorable than those of the rural communities. The income from our permanent school fund, supplemented by the support from State and local taxation, furnish suitable educational advantages to the boys and girls of nearly all our cities and towns, but the rural schools are without adequate support, and too often without efficient supervision. The six months school term in each year is demanded by the Constitution and has become a threadbare pledge in the platform promises of the political party now responsible for the administration of the affairs of our State government.

An honest rendition and assessment of taxable values would have obviated this difficulty long ago, and the legislators of the past can not be justly charged with dereliction of duty in this regard when in good conscience they relied upon the fidelity and good faith of tax officials. A six months public school term and fair compensation to teachers can not be secured without money. The money must come from taxation. We will have to raise the tax rate to the limit of the Constitution if tax officials fail in their duty to put all property on the tax rolls at its value. Public support of our educational development is not keeping pace with our increasing wealth and population. Reliable statistics show that probably only two Southern States have shorter rural school terms than Texas, ours being an average of about four months. These same statistics indicate our unenviable position in the general school term average, and in the percentage of the school fund which is received from local taxation.

As an appropriate aid to the public schools and, especially to the rural schools, I suggest that a constitutional amendment, authorizing a county ad valorem school tax, to be submitted to the voters. This principle as applied to our necessities, had its origin in the mature judgment of some of our foremost educators, and is endorsed by the following platform expression, "We recommend

that the plan of county taxation for school purposes be adopted."

Anticipating your favorable action and a commendable desire to accommodate yourselves to a popular will in all things pursuant to the unmistakable demands of the Constitution, and to the end that all available information on the subject of public education may be utilized by your honorable bodies, your attention is called to the very comprehensive, interesting and instructive reports of the Superintendent of Public Instruction, of the Regents of the State University, and of the Boards of Managers of the State's several educational institutions. These reports will prove profitable to those interested in the promotion and development of our system of public education.

The importance of agricultural and industrial training can not be denied, and having this in view, and also the wisdom of more liberal education of the people and of liberal support to the common schools, the State University and all other institutions within our system of public education, the people through their last convention said "that there be provided adequate agricultural equipment and teaching force for the State normal colleges, the College of Industrial Arts for Girls and the Agricultural and Mechanical College; and that the industrial thought in the schools be encouraged by teaching the elements of agriculture and the industrial arts; that the Agricultural and Mechanical College, the College of Industrial Arts for Girls, and the State normal colleges be authorized to grant diplomas having the force of State teachers' certificates to all who complete the necessary course as graduates in the industrial branches; we recommend that liberal support be provided for the Agricultural and Mechanical College experiment stations, the Farmers Institute, the College of Industrial Arts for Girls and the Texas State University for the teaching and training of our youths, and the more liberal education of our citizenship." A progressive citizenship will applaud your adoption of these policies and the further you go in their enforcement the greater will be your service to the people.

DEPARTMENT OF AGRICULTURE.

Agriculture is, of course, the most important factor in our State's growth and prosperity, and in recognition of this fact the platform recommends "that a State Department of Agriculture be established and that the same be separate and apart from all other departments

and interests, and that the same be adequately supported." The benefits to flow from such a department, organized in the light of experience, amply maintained and efficiently and independently administered, can not be overestimated. The needs are so imperative and the essential functions of such a department are so apparent that additional mention here will, it is believed, be of no great profit to you in framing ample legislation upon this subject.

It is suggested, however, that the department of which the agricultural feature is now a part, be disturbed no further in its organization than is required by the elimination of that jurisdiction pertaining to agricultural and kindred interests.

CIVIL AND CRIMINAL PROCEDURE.

The people demand through the platform such legislation as will simplify the procedure in both civil and criminal trials, and also recommend reforms in our jury system.

Employing substantially the same language used by me in discussing this subject on former occasions I respectfully urge the reforms demanded.

The present complex and cumbersome procedure is a shield to the criminal, defeats justice, increases the number of our courts, and adds unnecessary burdens upon the taxpayers. Perplexing technicalities encourage crime, employ the time of the courts to no useful end and the people pay the costs. A rigid enforcement of all the laws is essential to the social wellbeing and demanded as the only safe guarantee of life, liberty and property. All laws can be enforced and should be enforced fearlessly, impartially and without respect to locality or persons. To longer tolerate a system of technical obstacles behind which murderers and rogues may barricade themselves and defy the laws, would be a reflection upon the wisdom if not the sincerity of our statesmanship. To say that crime can run rampant in Texas and that our laws can not be enforced is to admit that we are incapable of self government. That our law-abiding citizenship is growing impatient and restless at the law's delays and the uncertainty of punishment for crime can not be denied. That there is just grounds for such discontent must be conceded. There is too much machinery in our criminal trials, too much literature and too many refinements in the court's charge to the jury, and too many loopholes through which criminals may escape. When the court's

charge in a criminal case is heard, especially the charge in murder cases, the most intelligent citizen is often made to wonder how any man is ever punished for crime. How is it possible for any juror, not trained in the law, to ever measure the guilt or innocence of an accused person by rules and distinctions not always understood by the courts and lawyers themselves. Is it a surprise that juries disagree, that criminals go unwhipt of justice, that new trials are forced, cases reversed by the appellate courts and that the mob spirit is rife in Texas? The judges are not at fault, the jurors are not always to blame, the main difficulty is in the system. A fair and impartial trial upon the law and the facts without tangled and technical rules should be accorded the accused, and when this is done, then, and not until then, so many trials and delays can be avoided and substantial justice may with some reason be expected in all cases.

Now then without intending to suggest a limit to the remedies which you in your wisdom may devise, I respectfully suggest:

1. That you further limit jury exemptions and define and limit the causes for which the trial judge may in the exercise of his discretion grant excuses to men drawn for jury service.

2. Either prescribe by statute a common sense form of charge for the jury in every criminal case of the grade of felony, or require such charge to embrace only the nature of the accusation and a copy of the statutes applicable to the offense charged and the facts of the case.

The enactment of laws embodying these views, would, I believe, add more certainty to the law's enforcement, expedite trials, furnish ample protection to the innocent, discontinue the almost universal practice of appealing everything and prevent so many reversals and new trials. It is with confidence further suggested that these reforms if adopted would result in reducing the number of our trial courts, clear the dockets promptly and save the State and counties a large per cent of the tremendous sums now expended in efforts to enforce our criminal laws. As in criminal cases, probably more than half the civil suits tried and appealed are reversed and remanded for new trials, and many new trials are granted by trial courts on account of errors in the court's charge to the jury. Costs to litigants are increased, delays and unjust burdens are laid upon those forced to invoke the aid of the courts to secure their rights under the Constitution and laws. The costs

incurred by the counties for juries and other incidental expenses in the numerous trials of the same cases is heavy and has attracted the attention of the people.

It seems to me that an effort should be made to give the relief demanded and as tending in that direction I recommend to the Legislature the enactment of laws authorizing verdicts to be returned in trial of civil cases in the district court by the concurrence of nine members thereof, and also requiring trial judges to prepare their instructions to the juries in civil cases and submit the same to the parties or to counsel on both sides of the case before the argument begins; that the charge shall as now be read to the jury on the conclusion of the argument of counsel, or on conclusion of the evidence if no arguments are to be made to the jury; and by law provide further that all special charges or additional instructions proposed or requested shall be prepared, submitted to opposing counsel for objection if any, and then delivered to the judge before the main charge is read to the jury, and that all exceptions to the main charge or to the giving or failure to give special charges, shall be taken and the ground of objection stated in writing and noted by the judge before the jury retires, and that all errors in the charge or with respect to the special charges not then assigned and again pointed out in motion for new trial shall be considered and held to have been waived and shall not constitute grounds for new trial or reversal unless fundamental. These reforms would facilitate the business of the courts, meet the ends of justice and relieve the higher courts of many appeals and save much unnecessary annoyance and delay and lessen the expense to litigants and to the counties and State.

CONFEDERATE WIVES AND WIDOWS' HOME.

A chivalric sentiment and a sense of duty long neglected prompts a just and brave people to "recommend that the Legislature submit an amendment to the State Constitution authorizing the erection and maintenance of a home for indigent widows and wives of Confederate soldiers and sailors." Love of exalted womanhood, devotion to the sublimest of all human virtues, gratitude and State pride, all conspire to give this golden opportunity to elevated manhood. Texas owes this debt to the women of the Southern Confederacy and in its payment we will give additional lustre to her honor and glory.

PRIMARY ELECTION LAW.

In approval of the system of party nominations by direct vote of the people the party platform demands of this Legislature the enactment of such amendments to the existing law as may be found necessary to simplify and perfect the same, that provision be made for a uniform test and such amendments to the law as will by blanket primary enable a majority of the voters of the respective political parties to make nominations by direct ballot of the voters without the intervention of conventions. The simplest and most convenient method, consistent with the purity of the ballot, that can be devised for the ascertainment of the popular choice in making party nominations, uniformity in party method and that the majority shall rule, are essential to party harmony and to the preservation of individualism. Experience with the present law has disclosed its defects and complications, which to here recount would be more tedious than profitable. To the task of perfecting the same you are commended with the full expectation that from your wisdom and attention satisfactory results will follow.

PUBLIC HEALTH.

The public health is a subject of such general concern that its importance can not be overestimated. Adequate measures looking to the protection of the people against disease and appropriate legislation for the promotion of the science of medicine and surgery and the more thorough protection of the public against incompetency should be provided. Under existing law the people of those counties of our State known as the border counties have heretofore been charged with a greater portion of the burden incident to maintaining and enforcing quarantine at State lines than should be laid upon them, and ample provision should be made for the relief of these counties and for a more equitable distribution of this expense which is necessarily incurred in the interest of all the people.

REVENUE AND TAXATION.

In the midst of unexampled prosperity, surrounded with unbounded resources and enhancing values, and boasting of intelligent progress and unparalleled development, this administration is confronted at the very outset with a growing deficiency which promises to reach the uncomfortable aggregate of more than one-half million dollars at no distant date. The State can not meet its

obligations without money and the money must be raised by taxation. That our present system of taxation facilitates the tax dodger and encourages official carelessness and indifference on the part of those charged with public duties thereunder, in the light of the State's unfortunate financial condition, can be assumed. The cunning and unscrupulous schemes invented by those who evade their just obligations to the government should be circumvented and derelict tax officials should be brought up with a sharp turn. No one should be required to contribute more than his just share to the support of the government, this much he should pay and the tax official who by design, incompetency or negligence aids or permits a fraudulent rendition and assessment should be removed from office. The property of corporations and individuals rarely appear upon the tax rolls at its true value. The Constitution and laws require taxable property to be rendered and assessed for taxes at its value, but under the subterfuge known as "value for taxes" which has been invented to cheat the State, we find the property of railroad companies upon the tax rolls at not exceeding 25 per cent of its value, and other corporations are escaping taxes in like proportion. In some counties the tax officials will adopt 75 per cent valuation as the "value for taxes," others 50 per cent, and it is understood that many do not exceed an average "valuation for taxes" of more than 25 per cent. Under the tax methods of the present system of rendition and assessment millions of money on hand, notes, accounts and credits reaching into the millions, and other personal property of great value, are escaping all taxation through false renditions and official dereliction. The small property owners of our State have just grounds for complaint. The tax burdens laid upon them are out of proportion, and common justice demands rigid laws and a more equitable distribution of the tax exactions among those receiving the protection of our laws and enjoying the blessings of our free government.

The people through their State Constitution have declared that "taxation shall be equal and uniform" and that "all property in this State, whether owned by natural persons or corporations, other than municipal, shall be taxed in proportion to its value, which shall be ascertained as may be provided by law." They further declared at the last State Convention through the party platform "that the owners of all property which is not exempt from taxation by the Con-

stitution of the State should be compelled to contribute their just proportion toward defraying the expenses of the government; and to accomplish this result we pledge the Democracy of Texas to the enactment of such further laws as will secure the just rendition of such property for taxation and compel the payment of taxes properly assessed against it, and to the enactment of such laws as will secure the taxation of all property, tangible and intangible, including franchises or intangible assets or property of those corporations which, by reason of the nature or character of their assets or property, under the present laws escape their just proportion of taxation." Here is presented the mandates of the Constitution which every office holder in Texas has sworn to support, and the express command of our party to which we should all in obedience bow.

The standard of value prescribed by the Constitution is the only basis for "equality and uniformity." Assessment of all property at its real value is the only method by which equitable distribution of tax burdens can be expected, any departure from that standard breeds confusion, discontent, higher tax rates, sectional divisions, fiscal difficulties, favoritism to some and oppression to others.

Existing inequalities in matters of taxation, the unfavorable financial condition of the State, the loss of revenue by the removal of occupation taxes on useful occupations demanded by the platform and here recommended, and the defiant attitude of the railroad corporations toward all recent tax legislation affecting them, all suggest to your honorable bodies grave and serious questions to the solution of which the Legislature has been directed by the people.

It would be better for the honor and reputation of the State to have a true rendition of property for taxes with a low rate than to have poverty-stricken tax rolls with a high rate of taxation. When the State has emerged from its present financial difficulties, and adequate laws are enacted to force honest renditions and assessments, and other appropriate sources of revenue are made to yield their just proportion of the required revenue, then we can in safety reduce the rate of taxation, and have all necessary funds with which to meet the increasing needs of the State, but it now seems that until ample legislation is provided and the deficiency covered, the rate of taxation must, at least for the next two years, be maintained at the present rate of 20 cents upon each \$100 valuation for general revenue purposes,

and legislation continuing such tax rate is respectfully recommended.

And in aid of existing laws, and cumulative of all other laws and parts of laws relating to the rendition and assessment of property for taxation not in conflict herewith, I recommend the enactment of the following laws:

1. Make the failure of the owners and holders of promissory notes, accounts and other credits, to make true rendition of the same for taxation an offense accompanied by heavy penalties and provide effective measures for reaching the same.

2. In all suits for the value of personal property taken, killed or otherwise destroyed, make the value of same as rendered for taxes, the measure of damages and limit the amount of recovery to the value thus ascertained.

3. Require the corporations and other property owners, their agents or representatives, list under oath all the fire insurance carried on their property of every description on the preceding January 1st, and upon the date upon which they make rendition for taxes, giving amount of each policy of insurance and the specific property covered by such insurance, and that the tax assessor shall attach to or include in the assessment sheets of the said property owners the said insurance so listed and return the same to the Commissioners Court sitting as Boards of Equalization for use in the better performance of their duties under the law.

4. Require all corporations and individuals, their officers, agents or representatives, to make oath to the correctness of the rendition of all taxable property and also to the correctness of the value given in such rendition.

5. In addition to the oath prescribed by the Constitution require each tax assessor and each deputy tax assessor to take and subscribe the following oath:

"I,, tax assessor (or deputy tax assessor as the case may be) in and for County, Texas, do solemnly swear that I will personally view and inspect all the real estate and improvements thereon subject to taxation lying in said county that may be rendered to me for taxation by any corporation or individual, or by their agents or representatives, as fully as may be practicable, and that I will as fully as is practicable view and inspect all other taxable property in said county rendered to me as aforesaid, that I will to the best of my ability make a true estimate of the cash value, the market

value of such property, if such property has a market value, and if it has no market value, then the real value of all such property, both real and personal, on the first day of January next preceding and that I will make up and attach to each assessment sheet made up and sworn to by the said property owners, their agents or representatives, a true assessment and valuation of said property, together with a memoranda of all the facts which I may learn bearing upon the value of the said taxable property; that I will make all possible inquiry relative to the true value of such property and that I will attach said memoranda and statement of facts that I may ascertain as aforesaid to the said assessment sheets of the respective property owners. That I have read and understand the several provisions of the Constitution of this State relative to the valuation of taxable property, and that I will faithfully do and perform every duty required of me as tax assessor (or deputy tax assessor) by the Constitution and laws of this State. So help me God."

This oath should be administered by the county clerk and filed by him in his office and a copy thereof should be furnished the officer making and subscribing to the same.

6. Each corporation or individual, agent or representative, executor, administrator, guardian, trustee, assignee, or other person whose duty it is under the laws of this State to render, list and give the true value of any taxable property, upon being called upon by the tax assessor to render and give the value of same should be required to list the same, or fill all blanks in any printed form used, in ink or indelible pencil and sign his name to the affidavit thereto in ink or indelible pencil. And the tax assessor and deputy tax assessor should be required to use ink or indelible pencil in filling all assessment blanks and in making up all memoranda and statements required of him by law.

7. Before the members of the commissioners court begins its labors as a Board of Equalization, each of the members thereof, including the county judge, should be required to take and subscribe the following oath:

"I, a member of the Board of Equalization of County, for the year A. D., hereby solemnly swear that in the performance of my duties as a member of such board for said year, I will not vote to allow any taxable property to stand as-

sessed on the tax rolls of said county for said year at any sum which I believe to be less than its true market value, or if it has no market value, then its real value; that I will faithfully endeavor and as a member of said board will move to have each item of taxable property which I believe to be assessed for said year at less than its true market value, or real value, raised on the tax rolls to what I believe to be its true cash market value if it has a market value, if not then to its real value, and that I will faithfully endeavor to have the assessed valuation of all property subject to taxation within said county stand upon the tax rolls of said county for said year at its true cash market value, or if it has no market value, then at its real value.

"I further solemnly swear that I have read and understand the provisions contained in the Constitution of this State relative to the valuation of taxable property, and that I will faithfully perform all the duties required of me under the Constitution and laws of this State. So help me God."

This oath should be signed and sworn to before the county clerk, which officer should be required to furnish a copy thereof to each member of said equalization board and file the original in his office.

8. From the assessment sheets, memoranda and valuations as finally corrected, adopted and approved by the Board of Equalization, the tax assessor should be required to make up the tax rolls as now provided by law, and after said rolls are made up the tax assessor should deliver said assessment sheets, lists, valuations and memoranda used by said Board of Equalization, to the county clerk who shall securely keep the same until the next grand jury convenes in the county, when the said clerk should be required to deliver same to the grand jury, together with the copy of the tax rolls for that year required to be filed in his office. And said grand jury should be required during its sitting to examine each of said assessment sheets both for the purpose of returning bills of indictment against any person for violation of any law relating to the rendition, valuation and listing of property for taxation, and relating to the assessment of property for taxation and the equalization of same; adequate penalties for violations of the law should be provided, and the grand jury should be required to make a report in writing to the district court whether indictments are returned or not,

which report should relate to the general condition of assessments, manner of assessment and equalization of property for taxation as exists and is practiced in the county, and especially as to whether all taxable property has been listed and valued as required by law. It should be made the duty of every district judge to give the tax laws relating to rendition, assessment and equalization of taxable property and the penalties provided for their violation, in special charge to each grand jury and to instruct such grand jury fully with respect to their duties in the premises. And it should be further provided that if any tax assessor, deputy tax assessor, member of the Board of Equalization, district judge, county clerk, or other officer, shall fail to perform any duty required of him under the law in matters of taxation he shall be deemed guilty of a misdemeanor and appropriate penalty provided, and if an officer, that such officer be removed from office at the suit of the Attorney General. And further provide that venue and jurisdiction of all suits to remove officers from office should be expressly conferred upon the courts of Travis county.

9. In addition to the other duties of the State Revenue Agent it should be made his duty, when and wherever practicable, to diligently inquire into the manner of rendition, assessment and valuation of taxable property, and to report all official dereliction to the Attorney General together with the facts relating to the same.

10. The rendition and assessment of railroad property as now practiced presents probably greater inconsistencies than that pertaining to any other class of property. It is undervalued, and the same railroad is rendered and assessed at different valuations in the different counties of the State. The "equality and uniformity" required by the Constitution is practically impossible under the present system. To reach the prevailing inequalities and undervaluation of railroad property I recommend that a constitutional amendment be submitted to the voters creating a State Tax Board, composed of three members and that the Governor, Attorney General and Chairman of the Railroad Commission shall constitute said State Tax Board. Require the said board to value all the property of railroad corporations, and interurbans and street railways, and railways and terminal lines of every description. Require the valuation to include all physical property, real and personal, and the franchise, and the valua-

tion so made and ascertained to be certified by the said State Tax Board to the tax assessor and commissioners courts of the respective counties for their observance and control as to value and as to all matters pertaining to such taxable property.

11. The removal of the occupation tax upon all useful occupations will materially reduce the income for general revenue and school purposes, and this loss can be justly met by an increase of occupation taxes upon occupations other than those classed by the Legislature as useful, and a further increase of all franchise taxes, and this action is respectfully recommended.

12. A graduated income tax upon all annual incomes with appropriate exemptions should be provided and your careful consideration of this subject is suggested. I regard this principle of taxation as sound and altogether just. The revenue derived from this source should be apportioned three-fourths to general revenue and one-fourth to the available school funds.

These recommendations and suggestions are made with the earnest hope that they may be useful to you in dealing with the difficult task in hand and with the assurance that the adoption of all other fair and just methods of taxation by your honorable bodies will receive my approval and in such action you will receive my full co-operation.

DEALING IN FUTURES.

The "bucket shop" game, commonly called dealing in futures and margins, can number among its victims more ruined lives, more broken homes and greater numbers of financial wrecks among the hundreds of men who are being daily tempted and entrapped by this insidious evil, than can be rightfully claimed for any other agency of demoralization and harm in the field of speculation or gambling. The buying and selling of wheat, bacon, cotton, corn or other commodity, stock, bond or other security, when neither the seller nor the buyer expects delivery, is not entitled to be dignified with the term speculation, it is gambling, pure and simple, begets the gambling spirit, and is more hurtful to legitimate business enterprise, and a matter of as serious concern to society as all the gambling houses in the country. Effective laws prohibiting such transactions, with suitable penalties should be enacted without delay, and I so recommend.

STATE PENITENTIARY SYSTEM.

The successful management of prison labor, the profitable disposition of penitentiary products, and the many details involved in the efficient conduct of the State penitentiary system, calls for the highest order of financial skill and business sagacity. I have not yet had access to the last annual reports of the officials in charge of our penal institutions, and am, therefore, not in position to enter upon a discussion of the needs of these institutions or to make recommendations with reference thereto. This subject may and probably will demand further attention in a future communication to your honorable bodies.

CONDITION OF THE STATE.

In addition to what has been stated already with reference to the condition of the State, the sources of revenue, and the requirements to meet the expenses of State government, I request your careful consideration of the able and exhaustive message of his Excellency, the retiring Governor, which was presented to you at the beginning of your labors. I also recommend for your investigation the reports of the Comptroller, Treasurer and all other department reports accompanying said message.

CONCLUSION.

With no intention to dictate, but in a spirit of co-operation, I will say in conclusion that I stand pledged to the people by the declarations made in the most public way, to give the people of Texas a plain, economical and thoroughly business administration of public affairs. To this end I shall devote all my powers and to accomplish this purpose shall be my highest aim. That I may succeed in this I ask and expect your full co-operation and valuable assistance. Business methods without the taint of political intrigue should be adopted and enforced in every department of the State government.

To meet the absolute necessities of the government, provision should be made by the Legislature, and I enjoin upon you to make suitable appropriations for the proper maintenance and support of all eleemosynary and other State institutions and departments, using at the same time the utmost economy consistent with the efficient management of same. I particularly urge upon the Legislature not to deal grudgingly in providing for the Confederate Home

and Confederate soldiers. All humiliating features of our Confederate pension laws should be eliminated and other appropriate safeguards provided. The Texas National Guard should receive adequate support, and the Legislature should resolutely support and maintain the Railroad Commission to the end that the efforts of the Commission in the full exercise of its powers and duties may not fail for the want of sufficient funds.

It has been often charged that there are abuses, idleness and graft in the public service and that useless officers and employees are burdening the payrolls of the State. That crude and inadequate methods of accounting are in use in many of the departments which not only delays and hinders the dispatch of business, but adds to the public expense and discredits the public service. To all these matters your attention is invited and I enjoin upon you strict and careful investigation of each and every department of the State government.

The taxpayer has a right to wholesome policies, efficiency and honesty in the conduct of every department of the State government, and it should be made certain and sure that the State shall have value received for every dollar expended.

Encourage a wholesome development, promote a healthy prosperity, safeguard the State, and you will have served a great people faithfully and well.

T. M. CAMPBELL,
Governor of Texas.

PETITION.

By Senator Masterson:

Angleton, Texas, January 9, 1907.

Whereas, There is being circulated by the opponents of Senator J. W. Bailey, at this place, a petition asking that the Legislature of the State of Texas make an investigation of the charges heretofore made against Senator Bailey, which petition is intended to reflect the sentiment and state the position and attitude of the Democrats of this community toward Senator Bailey as desiring and demanding such investigation; and,

Whereas, Such petition will create a false impression of the sentiment, feeling and disposition of the Democrats of this precinct in reference to such matters if not corrected.

Therefore, In order that the true position of the Democrats of this place may be stated, we, the undersigned Democrats, do here now declare that, in our opinion, there is no necessity for such an investigation, for we believe, with Senator Culberson, that the very probity of the man makes the thought of such

an investigation ridiculous; but should the Legislature, in its wisdom, deem it proper and best that such charges be investigated then we, in common with the other friends and supporters of Senator Bailey, as well as with himself, do not and will not oppose the same, but will urge that such investigation be full and thorough.

We here reaffirm the sentiments expressed in the resolutions adopted by mass meeting heretofore held by the Democrats of this precinct, and again state our steadfast and unbounded confidence in the honor and integrity of Senator Bailey, and again declare him to be a true and tried son and friend of the South, a faithful public servant, and honest, upright and conscientious gentleman.

The petition contained sixty-eight signatures.

EIGHTH DAY.

Senate Chamber,
Austin, Texas,

Thursday, January 17, 1907.

Senate met pursuant to adjournment, Lieutenant Governor A. B. Davidson presiding.

Quorum present, the following Senators answering to their names:

Alexander.	Looney.
Barrett.	Masterson.
Brachfield.	Mayfield.
Chambers.	Meachum.
Faust.	Murray.
Glasscock.	Paulus.
Green.	Senter.
Greer.	Skinner.
Griggs.	Smith.
Grinnan.	Stokes.
Harbison.	Stone.
Harper.	Terrell.
Holsey.	Veale.
Hudspeth.	Watson.
Kellie.	Willacy.

Prayer by the Chaplain, as follows:

Almighty and most merciful Father, we have often gone astray from Thy ways like lost sheep, we have followed too much our own devices and the desires of our own hearts and offended against Thy laws, we have left undone many things we should have done and have done those things we should not have done, but it is Thy will always to have mercy. Spare us, then; enter not into judgment with us, but have compassion upon us and forgive all of our faults. So deliver us in this world that we may live with Thee in the world to